OFFICE OF GOVERNOR RONNIE MUSGROVE INTEROFFICE MEMORANDUM

TO: GOVERNOR

FROM: BOYD **SUBJECT:** HB 1084 **DATE:** 3/17/2003

CC: RENICK, PHILLIP, PEYTON

This is bill would provide civil liability protections in state court for purchasers/landowners with contaminated property. The bill defines such property as those proposed by EPA for the National Polluted Lands list. Landowners are provided civil immunity in federal courts under federal law; however, civil immunity does not currently extend to state courts on this issue.

The effect of this bill would deny an adjacent property owner (or other impacted person) to file a suit in state court to require additional clean-up beyond the EPA/DEQ requirements.

DEQ is satisfied with the bill because it does not impede their regulatory authority. However, the same situation exists with the Audit Privilege Law. Audit Privilege does not impede DEQ's authority to regulate; however, the perception that the law provides immunity is clear and is desired by the manufacturers.

RECOMMENDATION: VETO.